

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§ Chapter 11
ALTA MESA RESOURCES, INC., <i>et al.</i> ,	§
Debtors. ¹	§ Case No. 19-35133 (MI)
	§ (Jointly Administered)
	§
	§
	§
MUSTANG GAS PRODUCTS, LLC,	§
<i>Plaintiff,</i>	§
v.	§ Adv. Proc. No. 20-03114
	§
OKLAHOMA ENERGY ACQUISITIONS,	§
LP, <i>et al.</i>	§
<i>Defendants.</i>	§

**DEFENDANT OKLAHOMA ENERGY ACQUISITIONS, LP'S
JOINDER IN DEFENDANT WELLS FARGO BANK, N.A.'S
MOTION TO DISMISS PLAINTIFF'S COMPLAINT**

Pursuant to the Court’s Order [Doc. No. 34] and the accompanying status report [Doc. No. 33], Defendant Oklahoma Energy Acquisitions, LP (“OEA”) joins in Defendant Wells Fargo Bank, N.A.’s (“Wells Fargo”) Motion to Dismiss Plaintiff Mustang Gas Products, LLC’s (“Mustang”) Complaint. [Doc. No. 31].

ARGUMENT

Mustang's Complaint [Doc. No. 1] should be dismissed for the reasons Wells Fargo

¹ The Debtors in these chapter 11 cases and the last four digits of their federal tax identification numbers are as follows: Alta Mesa Resources, Inc. (3840); Alta Mesa Holdings, LP (5150); Alta Mesa Holdings GP, LLC (N/A); OEM GP, LLC (0958); Alta Mesa Finance Services Corp. (5673); Alta Mesa Services, LP (7295); Oklahoma Energy Acquisitions, LP (3762); SRII Opco GP, LLC (3729); SRII Opco, LP (5874); Kingfisher Midstream, LLC (1357); Kingfisher STACK Oil Pipeline, LLC (8858); Oklahoma Produced Water Solutions, LLC (0256); and Cimarron Express Pipeline, LLC (1545). The location of the Debtors' corporate headquarters and service address is 15021 Katy Freeway, 4th Floor, Houston, Texas 77094.

explains: First, after notice and opportunity to do so, Mustang elected not to challenge the OEA's binding admission in the Cash Collateral Order that the Prepetition Loan Parties hold first priority liens on the Prepetition Collateral, subject only to Permitted Prior *Liens* (as those terms are defined in the Cash Collateral Order,² Doc. No. 567). As Mustang's purported interest is not alleged to be a Permitted Prior Lien (or any other type of lien), Mustang was required to assert its supposed interest through a timely challenge proceeding complying with the requirements of the Cash Collateral Order. It did not.

Mustang likewise did not object to OEA's sale of its assets free and clear of Mustang's alleged Covenant Interests. The Sale Order is clear that OEA's assets are being sold free and clear of "any dedication under any gathering, . . . purchasing or similar agreement." [Doc. No. 1013 at ¶ 11(i)]. Mustang failed to object, despite full and fair notice to do so. Its purported covenant interests have therefore been extinguished following the Sale and confirmation of the Plan, Doc. No. 1776. *See In re Sherwin Alumina Co., LLC*, 952 F.3d 229, 233-35 (5th Cir. 2020). When Mustang chose not to assert its supposed non-monetary Covenant Interests in connection with OEA's asset sale, it did not by doing so convert those alleged Covenant Interests into a monetary claim (let alone a first-priority one) on OEA's sale proceeds.

CONCLUSION

OEA respectfully requests that the Court dismiss Mustang's Complaint with prejudice.

² Unless otherwise indicated, capitalized terms have the meaning ascribed to them in the Cash Collateral Order.

Dated: May 29, 2020

Respectfully Submitted,

/s/ Matthew M. Madden

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CERTIFICATE OF SERVICE

I hereby certify that on May 29, 2020, a true and correct copy of this document was served by electronic means as listed on the Court's ECF noticing system.

/s/ Matthew M. Madden

Matthew M. Madden